

Lakewood Development Corporation
February 21, 2017
Meeting Minutes

E. Rennert, R. Coles and A. Akerman took Oath of office before meeting was called to order

Call to Order – Patricia A. Komsa, Executive Director, 4:36pm

Announcement of Meeting in Compliance with the Sunshine Law.

Adequate notice of this meeting has been provided in accordance with the provisions of the Open Public Meetings Act, P.L. 1975, c. 231 by notice published in the Asbury Park Press and the Tri Town News, and by posting of same in the office of the Municipal Clerk, the office of the Lakewood Development Corporation, and upon the public bulletin board of the Lakewood Municipal Building.

Roll Call:

Present: A. Akerman; R. Coles; M. McNeil (4:40); A. Muller; E. Rennert; and Rabbi Weisberg

Also Present *P. Komsa, Executive Director, S. Kean, Corporate Counsel and staff members, J. Wilkes and A. Doyle*

Absent: C. Tajfel and alternate T. Henshaw

Flag Salute

REORGANIZATION – Patricia Komsa, Executive Director,

Motion – Rabbi Weisberg/R. Coles
Nomination for Chairman, Abraham Muller
All in Favor – Carried

The Executive Director turned meeting over to the Chairman, A. Muller

Motion – Rabbi Weisberg/E. Rennert
Nomination for Vice Chairman, Ray Coles
All in Favor – Carried

Motion – R. Coles/E. Rennert
Nomination for Secretary/Treasurer, Rabbi Moshe Zev Weisberg
All in Favor – Carried

Motion – R. Coles/A. Akerman
To accept minutes from December 6, 2016 meeting
All in favor
Motion carried

Old Business:

None

New Business:

None

Report of Corporate Counsel:

In closed session

Directors Report:

The Executive Director informed the members that this is her last meeting as the Director and wanted to thank the members and the board for allowing her the privilege to work for and work with them. Further stating she is very fortunate, here in Lakewood we have a tremendous amount of entrepreneurs and has been blessed to work with the businesses, wonderful people and families and thanked Anita and Joanie stating for us it's personal, we enjoy what we do.

Ray Coles thanked Trish stating that under the trying circumstances with the state funding being cut, you kept the program growing which is probably one of the few in the state that can claim that. We will not let you down, we will make sure that the LDC continues to thrive.

Following on what Ray Coles stated, the Executive Director wanted to touch base which is normally done at re-org, informing the members that the LDC recognized \$96,000 in interest from general investing. Comparing last year to this year, as far as zones go, last year we were number 5 in size at 563 business. This year we are number 4 with 590, we recognized a 4.8 growth in businesses, correlating that we have also seen a 5.7% in number of full time positions that we are supporting through this program. New job growth since inception we have grown 12%. Total revenue invested up 9.3% from last year and that is \$990 million dollars that has been invested back into Lakewood. Our three year growth for our program is 13%, we continue to grow while other zones are shrinking; Vineland who is number 2 this year shrunk 2.9% the only one with growth that is close to Lakewood is Jersey City. We are still, according to the State office, one of their premier zones.

The Executive Director informed the board that the 2nd Generation "quarterly report" as well as the monthly financial reports have been provided for their review.

The Director moved on to brief overview of the Resolutions on the agenda, the reorganization packet; adopting newspapers, bank depositories, which mirror the township's as well as authorizing cash management, a petty cash fund and the qualifying of professional services as required in the Pay to Play Fair & Open process. Moving on to Resolution 17-2-7 and 8 which are appointing our Corporate Counsel and the Auditor to do the 2016 Audit. Resolution 14-2-8 which is authorizing the release of closed session minutes and Resolution 14-2-9 amending the 2017 admin budget for the remaining year.

Rabbi Weisberg asked if Bank of America showed any interest in working with us, the Director responded No, if we are lucky enough to get someone to talk to us, they don't stay in that branch long to make any impact with us.

A. Akerman asked question about resolution to appoint counsel, asking shouldn't a motion be done first then do a resolution, to which R. Coles stated that is only in the Township.

Committee Reports:

Rabbi Weisberg, provided an overview of activity.

Public Comment:

Slomy Kline of Chateau Drive was in attendance stated he has two question and if he doesn't get an answer it would be comments. The same question goes for the Lakewood Development Corporation and the Lakewood Industrial Commission. It seems like that there is a lot of land that these two entities own and in closed session meetings these lands are being sold, usually when township land is being sold under regular township, you have a public bidding process but yet these two committee it is sold under executive session and the public does not have any information about it. The question he has in regards to this matter is how much land does the Lakewood Development and Lakewood Industrial Commission have and what is the process of selling these lands. His second issue is that a request was made for closed session minutes and they have not been provided, what is the process of both entities to provide these minutes and the information to the public when the negotiations and the matter is not relevant anymore.

Sean Kean, Corporate Counsel for both the LIC and LDC responded that the statute is different for each entity. The LIC is actually exempt from the public bidding requirements which means the LIC can essentially sell a piece of property that they own to whomever they want and the reasoning behind that statute is for the LIC to be empowered with certain economic development tools and therefore are not bound by the same rules. The LDC is bound to the same rules that the township would be, in selling property there would be a public process, an advertising or an auction.

S. Kean moved on to the minutes and stated that there are minutes kept by the staff both of the open session and the closed session, however in the closed session there are certain statutory exceptions which permit the organization the LDC in this case to not be required to report all of the details of the meeting for specific exceptions, for instance, contract negotiations, personnel, situations where a particular entity may get an competitive advantage if they knew what was transpiring. However the minutes do have to be provided but they will be redacted so you will have a paper with black lines through it showing some of the information is not going to be presented. Down the road, after several months, a year or a week some items will no longer be privileged. In answer to your question you will get the information will be provided to you but could be redacted pursuant to the OPRA statute.

Closed to public 4:56pm

Trustees Comments:

The Chairman wanted to thank Trish and the staff for the great job they did and wish Trish good luck.

Motion: M. McNeil/R. Coles

To Accept Resolution on the consent agenda Resolutions 17-02-1 – 17-02-8

Roll Call:

E. Rennert - abstention from Resolution 17-2-2 & 17-2-7 (designating depositories and appointing corporate counsel).

All others in favor

Motion Carried

MINUTES
CLOSED SESSION
Meeting of February 21, 2017

CLOSED SESSION: 4:58 PM

The meeting moved into Executive Session on a motion made by R. Coles and seconded by M. McNeil. The purpose of the closed session is:

Personnel & Contract Negotiations

Rabbi Weisberg informed the board that he has had informal discussion over the last few months regarding the LDC operations. No funding is coming in from Trenton and the current Governor is not pro UEZ limiting the ability of the LDC. In an effort to keep us going, the admin budget has been cut each year. With a new Governor, things could change and based on that fact, the consensus is to keep current configuration rather than merge with another agency of the Township.

Proposal made by Rabbi Weisberg was to downsize activities of the LDC by bringing someone in part time to keep things going. Part time without benefits. There would be distinct responsibilities - UEZ regulation, loan program and be a face for the public. Rabbi Weisberg has found a few with banking experience to fit in. It would require some training from Trenton as well as hand holding by current staff.

Question was raised by A. Akerman as to keeping the current Director on part-time to help out, this would help keep the budget down by having Trish provide a hour a day to keep in compliance.

Discussion followed with R. Coles stating that Trish needs to concentrate on the new department it is more than just a full time job. The best way to move forward is to make a complete break. The Township has discussed this at length, merging the LDC and LIC could not fit statutorily so the next best thing is to have someone clerical to pick up slack. The board needs to remain the way it is. It is important to have an active board and continue the loan program.

Rabbi Weisberg stated if everything runs right this would be a place holder for next year, David Klein is currently between jobs. Discussion followed.

Question was raised on salary to which response was initially \$25,000 with the thought that very little time would be required to put in. Now that salary has been upgraded to \$50,000. R. Coles stated \$50,000 is what a lot of people make at full time. Lengthy discussion followed, regarding the salary waiving benefits because we still are trying to keep expense down, but all agree we have a very successful program that needs to be maintained.

Rabbi Weisberg suggested try it out for a couple of months, discussion followed on training and reporting procedures suggestion that a procedure manual be done. Response was David could put together the procedures and policy manual. Sean Kean stated the UEZ office is geared up to

help new employees, and Trish said James Simmons will help with compliance in terms of certifying businesses in the program and general policy program & procedures.

Rabbi Weisberg again proposed to try David for three (3) months given the staff in house and the state's training opportunities. Discussion followed R. Coles said do a three month trial with the understanding that the position may conclude or vote to reauthorize in 90 days.

R. Coles recapped 90 Day and then revisit, full time employee, \$50,000 pro-rated, no benefits (waived) effective March 1, 2017. Stating that in open session we will out- line the conditions.

A. Akerman left 6:01pm

Motion: R. Coles/E. Rennert

Move to Open Session

6:01